PLATINUM INTERNATIONAL BRANDS FUND

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PERFORMANCE

The Fund's positive performance continued this quarter with the Platinum International Brands Fund gaining 6.8%, ahead of the MSCI World Index +0.4%. Over twelve months the Fund has provided a return of 24.9% compared with the 9.4% performance by the index.

When reviewing the Fund's performance on a stock-by-stock basis the pattern is quite mixed. Our Indian positions have generally done well, particularly our liquor stocks with the ongoing themes of corporate restructuring and investment by the major international companies. In Europe, we have seen some good performance from our retail investments with Carrefour (the French hypermarket) up over 15% and the German retailers Douglas (perfumeries) and Hornbach (home and garden DIY stores) both performing strongly. Some of our longer held investments in Europe, such as Lindt and Spruengli (renowned chocolatier) and Davide Campari (spirits and wines) along with our investments in cosmetic companies, also provided a good contribution over the quarter.

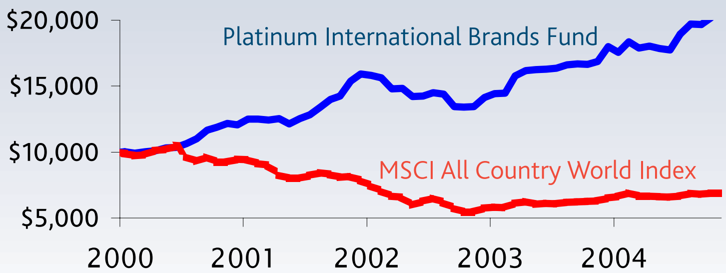
We closed our short position in Gillette for a loss following the agreed takeover by Procter and Gamble. Clearly, a disappointing outcome and whilst we might speculate on the motives of Gillette in approaching P&G, it would nonetheless appear to be a good outcome for Gillette shareholders. We will follow with interest the performance of Gillette within P&G, mindful of the difficulties that P&G have encountered in trying to obtain superior returns from their acquisitions of Clairol and Wella.

DISPOSITION OF ASSETS

REGION	MAR 2005	DEC 2004
EUROPE	34%	38%
OTHER ASIA (INCL KOREA)	29%	32%
JAPAN	15%	12%
NORTH AMERICA	4%	4%
CASH	18%	14%
SHORTS	14%	8%

Source: Platinum

VALUE OF $10,000 INVESTED SINCE INCEPTION
18 MAY 2000 TO 31 MARCH 2005



Source: Platinum and Factset. Refer to Note 2, page 5.

Our short position in Anheuser Busch is starting to contribute positively as the impact of increased competition, both directly in the beer market and indirectly by the spirit companies, hinders Anheuser's ability to continue to take price increases, perhaps at a time when they most need to protect profits. We might postulate that Kellogg finds itself in a somewhat similar position of rising costs, increasing competition and a perhaps unsustainable pricing umbrella.

CHANGES TO THE PORTFOLIO

We have been reducing our investment in India, despite the introduction of Bata India Ltd to the Fund. Bata, a household name in India, manufactures and markets footwear under some globally recognised brands such as Hush Puppies, Marie Claire and the fun Bubble Gummers for kids, amongst others.

It is relatively easy to describe the nature of a brand when using examples such as Hush Puppies that have been established for many decades, or brands that have gained iconic status in the western world; Coke or McDonald's for example. What are we to make though of brands that are much newer such as the 'iPod' ... is it a distinct brand with longevity or is it merely a product extension trading off the 'Apple' brand name?

We have introduced regional brands to the Fund before, for example the Indian Beer brand 'Kingfisher' and have generally been guided by the principle that it is the consumer that determines the success of a brand. That is, we look for the purchasing decision to be made by the consumer and not an intermediary. So whilst Lipitor or Viagra may be heavily advertised and well recognised 'brands' they do not fit our defining parameter of the purchase decision being finally determined by the consumer.

In the vein of strong regional brands we have increased our weighting in Japan through the addition of investments into two regional banks; Bank of Fukuoka and Bank of Yokohama. The Bank of Fukuoka is one of Japan's top regional banks and services the Kyushu region in western Japan. Bank of Yokohama is also a leading regional bank having been founded in 1920 and serving the Kanagawa Prefecture and southwest Tokyo.

The short position of the Fund has been increased from 8% to 14% not withstanding closing the short position in Gillette. We have added to our short position in Kellogg, introduced a short index position in India and taken short positions in the Australian market in two high profile companies.

Bata

COMMENTARY

Are all banks the same? They all provide a similar range of products at more or less the same price with much the same approach to service. Or do they? This is just the dynamics that provide fertile ground for developing strong brands and a clear differentiating message. Regional banks and co-operative (member owned) banks may be a case worthy of further study by the majors. Surely the scale of the majors; numbers of branches, huge infrastructure investment in information technology, ATMs and internet access would have secured the end of any minor regional participant? In any case can't they just be bought out? Or is there real brand loyalty derived from first hand experiences that set apart the regional participants? Is the consumer experience, as then conveyed directly by word of mouth (referral and recommendation), still one of the most powerful marketing tools?

Branded goods companies and consumer goods companies more generally have lamented the demise of dominant communication tools. It used to be that a good ad aired across a small number of free-to-air TV channels was sufficient. All a keen marketing executive then had to do was determine the placement and timing, and perhaps a little supportive media by way of cinema, outdoor or magazine if the budget stretched. Clearly this is a gross simplification, though perhaps not really when compared to the fragmentation of communication that the hapless executive now faces.

How much should he/she now devote to TV when many hours are spent by consumers on the Internet? How does he/she brief the creative agency when many of their skills and tools have been honed with the almost singular domination of TV over the past 50 years?

Further, how does the branded goods company manage the issue of the technological equivalent to a chat over the back fence; Internet chat and web posting sites. "Blogs" have been written about more and more in the general press as well as in the industry press of the marketing and advertising world. A "blog" is often a personal web page, something of a mixture between a diary and links to sites of interest to that person, an electronic scrap book of sorts. This apparently innocuous development has further evolved into far more sophisticated sites where recommendations and opinions on events and products abound.

It is interesting to note how technology has enabled the development of communication from essentially a one-to-many (TV) through to the now easy ability for many-to-many communication, allowing consumers to essentially generate their own marketing messages. Consider perhaps the now ubiquitous email system. Starting initially with one-to-one text only messages until the 'forward', 'reply to all' and 'attach' buttons were discovered concurrent with the technology's ability to process the command in a matter of moments, almost regardless of the depth of content that might also include photos or video.

Companies have responded by having their own numerous websites and trying to maintain a consistent product message. Research however is showing that perhaps they are missing many opportunities to learn more about their products and consumers by clinging to a paradigm that suggests they must control the marketing message. If Ford and Firestone had been more attuned to the electronic 'back fence chats' that is on certain blog sites, they might have picked up on their tyre problem long before it escalated. (It was evidently discussed on websites many years before the public fiasco). Perhaps a key strength of regional brands is how well they listen and perhaps many more companies might contemplate how well attuned they are to the gossip. Certainly we are looking at how to become more receptive to the messages and how they might impact on our investment behaviour.

OUTLOOK

We have previously noted that the Fund's exposure to emerging markets will, at times, introduce a higher degree of volatility in the performance returns. Through this quarter the Indian market has shown some declines and volatility and this may well continue. Undue influence by other global markets, including the currency markets, might have a short term adverse effect. Our short positions may only partially mitigate any significant declines in the global markets.

Rises in interest rates has put paid to the stimulatory effect of refinancing mortgages to increase consumption, rising oil and commodity prices are an additional tax, and there seems to be little memory of the times when consumers' mortgages could exceed the falling value of their homes. We continue to be concerned that many stock valuations remain stubbornly high particularly in the US market and that the prospects for a debt laden consumer are being too optimistically portrayed. If we have a current preference it is to look to Europe and Japan for new ideas.

NOTES

1. The investment returns are calculated using the Fund's unit price and represent the combined income and capital return for the specific period. They are net of fees and costs (excluding the buy-sell spread and any investment performance fee payable), are pre-tax and assume the reinvestment of distributions. The investment returns shown are historical and no warranty can be given for future performance. You should be aware that past performance is not a reliable indicator of future performance. Due to the volatility of underlying assets of the Funds and other risk factors associated with investing, investment returns can be negative (particularly in the short-term).

2. The investment returns depicted in the graphs are cumulative on A$10,000 invested in the relevant Fund since inception relative to their Index (in A$) as per below:

Platinum International Fund:
Inception 1 May 1995, MSCI All Country World Net Index

Platinum Asia Fund:
Inception 3 March 2003, MSCI All Country Asia ex Japan Net Index

Platinum European Fund:
Inception 1 July 1998, MSCI All Country Europe Net Index

Platinum Japan Fund:
Inception 1 July 1998, MSCI Japan Net Index

Platinum International Brands Fund:
Inception 18 May 2000, MSCI All Country World Net Index

Platinum International Health Care Fund:
Inception 10 November 2003, MSCI All Country World Health Care Net Index

Platinum International Technology Fund:
Inception 18 May 2000, MSCI All Country World Information Technology Index

(nb. the gross MSCI Index was used prior to 31 December 1998 as the net MSCI Index did not exist).

The investment returns are calculated using the Fund's unit price. They are net of fees and costs (excluding the buy-sell spread and any investment performance fee payable), pre-tax and assume the reinvestment of distributions. It should be noted that Platinum does not invest by reference to the weightings of the Index. Underlying assets are chosen through Platinum's individual stock selection process and as a result holdings will vary considerably to the make-up of the Index. The Index is provided as a reference only.

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Before making any investment decision you need to consider (with your financial adviser) your particular investment needs, objectives and financial circumstances. You should consider the PDS in deciding whether to acquire, or continue to hold, units in the Funds.

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